GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:834
ANSWERED ON:17.08.2007
PER CAPITA DEBT BURDEN
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Will the Minister of FINANCE be pleased to state:

(a) the per capita debt burden of the country as on date;

(b) the amount spent on payment of interest on debt during the last three years and in current financial year so far; and

(c) the measures taken by the Government to curb it ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) Total debt of the Government of India as on 31st March, 2007 is Rs.2,536,164 crore. Therefore, per capita debt burden as on 31st March, 2007 is Rs. 22,604.

(b) The amount of interest payment by Government of India for 2004-05, 2005-06 and 2006-07(RE) is Rs.126,934 crore, Rs.132,630 crore and Rs.146,192 crore respectively. Interest payment for 2007-08 upto June is Rs. 34,274 crore.

(c) In order to reduce the carrying cost of outstanding debt burden of the Central Government, following measures have been taken in the recent past:

(i) Buyback of high coupon Government securties contracted during the earlier high interest rate regime.
(ii) Utilisation of receipts under States Debt Scheme to repay high coupon special securities to National Small Savings Fund (NSSF).
(iii) Repayment of high cost external loans from bilateral as well as multilateral sources. External debt in excess of USD 6 billion have been prepaid during Fiscal Year 2002-03 and 2003-04 to World Bank, ADB and many bilateral sources.